IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

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) FILED: JULY 25, 2008
) 08CV4233
) Case No. JUDGE LEFKOW
) MAGISTRATE JUDGE DENLOW
) AEE)))
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COMPLAINT

Plaintiffs, Laborers' Pension Fund and Laborers' Welfare Fund of the Health and Welfare Department of the Construction and General Laborers' District Council of Chicago and Vicinity (collectively "Funds") and James S. Jorgensen (hereinafter "Jorgensen"), Administrator of the Funds, by their attorneys, Patrick T. Wallace, Jerrod Olszewski, Christina Krivanek, Amy N. Carollo, and Charles Ingrassia for their Complaint against Defendant Dresden Concrete, Inc. also d/b/a Dresden of Illinois, Inc., state:

COUNT I

(Failure To Timely Pay Employee Benefit Contributions)

1. Jurisdiction is based on Sections 502(e)(1) and (2) and 515 of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, 29 U.S.C. §§1132 (e)(1) and (2)

and 1145, Section 301(a) of the Labor Management Relations Act ("LMRA") of 1947 as amended, 29 U.S.C. §185(a), 28 U.S.C. §1331, federal common law, and 805 ILCS 5/1 et seq.

- 2. Venue is proper pursuant to Section 502(e)(2) of ERISA, 29 U.S.C. §1132(e)(2), and 28 U.S.C. §1391 (a) and (b).
- 3. The Funds are multiemployer benefit plans within the meanings of Sections 3(3) and 3(37) of ERISA. 29 U.S.C. §1002(3) and 37(A). They are established and maintained pursuant to their respective Agreements and Declarations of Trust in accordance with Section 302(c)(5) of the LMRA. 29 U.S.C. § 186(c)(5). The Funds have offices and conduct business within this District.
- 4. Plaintiff James S. Jorgensen ("Jorgensen") is the Administrator of the Funds, and has been duly authorized by the Funds' Trustees to act on behalf of the Funds in the collection of employer contributions owed to the Funds and to the Construction and General District Council of Chicago and Vicinity Training Fund, and with respect to the collection by the Funds of amounts which have been or are required to be withheld from the wages of employees in payment of Union dues for transmittal to the Construction and General Laborers' District Council of Chicago and Vicinity (the "Union"). With respect to such matters, Jorgensen is a fiduciary of the Funds within the meaning of Section 3(21)(A) of ERISA, 29 U.S.C. §1002(21)(A).
- 5. Defendant Dresden Concrete, Inc. also d/b/a Dresden of Illinois, Inc., (hereinafter "Dresden" or the "Company") is and was at all times relevant an Illinois corporation. The Company does business within this District and was at all times relevant herein an employer within the meaning of Section 3(5) of ERISA, 29 U.S.C. §1002(5), and Section 301(a) of the LMRA, 29 U.S.C. §185(c).

- 6. The Union is a labor organization within the meaning of 29 U.S.C. §185(a). The Union and Dresden are parties to successive collective bargaining agreements ("Agreement") the most recent of which became effective June 1, 2006. (A copy of the "short form" Agreement entered into between the Union and Precision which Agreement adopts and incorporates Master Agreements between the Union and various employer associations, and also binds Dresden to the Funds' respective Agreements and Declarations of Trust is attached hereto as Exhibit A.)
- 7. The Funds have been duly authorized by the Construction and General Laborers' District Council of Chicago and Vicinity Training Fund (the "Training Fund"), the Midwest Construction Industry Advancement Fund ("MCIAF"), the Chicagoland Construction Safety Council (the "Safety Fund"), the Laborers' Employers' Cooperation and Education Trust ("LECET"), the Concrete Contractors' Association of Greater Chicago ("CCA"), the CDCNI/CAWCC Contractors' Industry Advancement Fund (the "Wall & Ceiling Fund"), the CISCO Uniform Drug/Alcohol Abuse Program ("CISCO"), the Laborers' District Council Labor Management Committee Cooperative ("LDCMC"), the CARCO Industry Advancement Fund ("CARCO"), and the Illinois Small Pavers Association ("ISPA") to act as an agent in the collection of contributions due to those funds.
- 8. The Agreement and the Funds' respective Agreements and Declarations of Trust obligate the Company to make contributions on behalf of its employees covered by the Agreement for pension benefits, health and welfare benefits, for the training fund and to submit monthly remittance reports in which the Company, *inter alia*, identifies the employees covered under the Agreement and the amount of contributions to be remitted to the Funds on behalf of each covered employee. Pursuant to the terms of the Agreement and the Funds' respective Agreements and

Declarations of Trust, contributions which are not submitted in a timely fashion are assessed 20 percent liquidated damages plus interest.

- 9. The Agreement and the Funds' respective Agreements and Declarations of Trust require the Company to submit its books and records to the Funds on demand for an audit to determine benefit contribution compliance.
- 10. The Agreement obligates the Company to obtain and maintain a surety bond to ensure payment of future wages, pension and welfare contributions.
- 11. Notwithstanding the obligations imposed by the Agreement and the Funds' respective Agreements and Declarations of Trust, the Company has:
- (a) failed to submit timely reports and contributions to Plaintiff Laborers' Pension Fund for the months of June 2008 forward, thereby depriving the Laborers' Pension Fund of contributions, income and information needed to administer the Fund and jeopardizing the pension benefits of the participants and beneficiaries;
- (b) failed to submit timely reports and contributions to Plaintiff Laborers' Welfare

 Fund of the Health and Welfare Department of the Construction and General Laborers' District

 Council of Chicago and Vicinity for the months of June 2008 forward, thereby depriving the

 Welfare Fund of contributions, income and information needed to administer the Fund and

 jeopardizing the health and welfare benefits of the participants and beneficiaries;
- (c) failed to report and pay all contributions owed to Laborers' Training Fund from June 2008 forward, thereby depriving the Laborers' Training Fund of contributions, income and information needed to administer the Fund and jeopardizing the training fund benefits of the participants and beneficiaries;

- (d) failed to report and pay all contributions owed to one or more of the other affiliated funds identified above from June 2008 forward, thereby depriving said fund(s) of contributions, income and information needed to administer said fund(s) and jeopardizing the benefits of the participants and beneficiaries; and
- (e) failed to submit timely payment of benefit contributions for the period of August through October 2007 and April through May 2008. Under the terms of the Agreement, the Company owes \$22,273.39 in liquidated damages, plus interest on the late August through October 2007 and April through May 2008 reports.
- 12. The Company's failure to submit payment of benefit contributions and failure to submit timely payment of benefit contributions violates Section 515 of ERISA, 29 U.S.C. §1145, and Section 301 of the LMRA, 29 U.S.C. §185, and federal common law interpreting ERISA, 29 U.S.C. §1132 (g)(2).
- 13. Pursuant to Section 502(g)(2) of ERISA, 29 U.S.C. §1132 (g)(2), Section 301 of the LMRA, 29 U.S.C. §185, federal common law, 805 ILCS 5/1 et seq., and the terms of the Agreement and the Funds' respective Trust Agreements, the Company is liable to the Funds for unpaid contributions, accumulated interest and liquidated damages on the late reports, reasonable attorneys' fees and costs, and such other legal and equitable relief as the Court deems appropriate.

WHEREFORE, Plaintiffs respectfully request this Court enter a judgment against Defendant Dresden Concrete, Inc. also d/b/a Dresden of Illinois, Inc.:

a. ordering the Company to submit its books and records to an audit upon demand for the period of February 1, 2006 forward;

- b. entering judgment in sum certain against the Defendant on the amounts due and owing pursuant to the audit including contributions, interest, liquidated damages, accumulated liquidated damages and interest on late reports, audit costs, and attorneys' fees and costs; and
- c. awarding Plaintiffs any further legal and equitable relief as the Court deems appropriate.

COUNT II

(Failure To Submit Union Dues)

For a cause of action against Defendant Dresden Concrete, Inc. also d/b/a Dresden of Illinios, Inc.:

- 14. Plaintiffs reallege paragraphs 1 through 10 of Count I.
- 15. Pursuant to agreement, the Funds have been duly designated to serve as collection agents for the Union in that the Funds have been given the authority to collect from employers union dues which have been or should have been deducted from the wages of covered employees.
- 16. The Company failed to submit timely payment of dues for the period of July through November 2007 and March through May 2008. Under the terms of the Agreement, the Company owes \$1,508.88 in liquidated damages, plus interest on the late July through November 2007 and March through May 2008 reports.
- 17. Pursuant to the Agreement, the Company is liable to the Funds for the unpaid union dues, liquidated damages, and reasonable attorneys' fees and costs as the Union's collection agent and such other legal and equitable relief as the Court deems appropriate.

WHEREFORE, Plaintiffs respectfully request that this Court enter judgment against Defendant Dresden Concrete Inc also d/b/a Dresden of Illinois, Inc. ordering the Company to submit its books and records on demand to an audit for the period of February 1, 2006 forward, entering judgment in favor of the Funds and against the Company for the Union dues owed together with all dues, liquidated damages, audit costs, attorneys' fees and costs, and any other legal and equitable relief as the Court deems appropriate.

July 25, 2008

Laborers' Pension Fund, et al.

/s/ Amy Carollo

Office of Fund Counsel Laborers' Pension and Welfare Funds 111 W. Jackson Blvd. Suite 1415 Chicago, IL 60604 (312) 692-1540



Construction & General Laborers' District Council of Chicago and Vicinity

5121 WEST DIVERSEY AVENUE . CHICAGO, MUNOIS 60639 . TELEPHONE: 237-7537

MEMORANDUM	TRIOL ROL	WORKING	AGREEMENT
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ite It is heritify attputated and agreed by and between hereincailed the "EMPLOYER" and the CONSTRUCTION AND GENERAL LABORERS DISTRICT COUNCIL OF CHICAGO AND VICINITY. Name called the "URINI," representing and encompassing the geographical areas of the Counties of Cook, Lake, Bu Page, Will, Grundy, Kennclaf, Kane, McHenry, and Boone, in the State of Binchs, together with any other locals which may come within the jurisdiction of the UNION, that:

1. The EMPLOYER hereby recognizes the UNION as the sole and exclusive bargaining agent for all isborers employed by the EMPLOYER in the geographical areas facted above with respect to their wages, hours of work, fringe benefits, and all other terms and conditions of amployment. Lhude.

- 2. The/EMPLOYER address and adopts the Collective Bargaining Agreements between the UNION and the Buildints Association of Chicago, the Risnots Roof Buildints Association, the Uniong research Contractors Association, the Uniong September Contractors Association, the Union September Contractors Association, Liston Country Parking Contractors Association, Association, Liston Country Parking Contractors Association and Septem Contractors Association, Association and Colling Contractors Association, Liston Country Parking Contractors Association and West and Country, and all other associations with when the District Council or any of its affiliated form instance has a duly association of West approximate from June 1, 1980, together with all associations in the further agreed that where a contractor works in the particulation of any local Wildow, then the agreement and child aspectation to the particulation of the local High North Instance and the case of any conflict between the District Council agreement and the segmentary and child aspectation to the particulation of the local District Council agreement and the local agreement asking to do with suggest benefits, or conditions of amployment. Molthing boroin shall limb the jurisdiction of this agreement to less than that provided in this Memorandum of Agreement.
- 3. The EMPLOYER agroes to pay the amounts which (he) (it) is bound to pay under said Collective Barquicing Agreements to the HEALTH AND WELFAUE OPPARTMENT OF CONSTRUCTION AND GENERAL LABORERS DISTRICT COUNCIL OF CHICAGO AND VICINITY, to the LABORERS' PENSION FUND, and to become bound by each be considered a party to the Agreements and the Declaration of Trust creating said Trust Funds us if (law) (it) had signed the original data the fundament the Trust instruments and amendments thereto. The EMPLOYER retities and compositement of the EMPLOYER Trustees who shall, together with their successor Trustees designated in the manner provided in said Agreements and Declaration of Trusts and jointly with an equal number of trustees appointed by the UNION, carry out the terms and conditions of the Trust instruments.

The EMPLOYER further affirms and re-establishes that all prior contributions paid to the Weltare and Puzzlon Funds were made by duly authorized agency of the EMPLOYER at the proper rates for the appropriate periods of time and that by metric contributions the EMPLOYER widerices the intent to be bound by the terms of the Trust Agreement and Collective Bargaining Agreements which were operative at the time the contributions were made, acknowledging the report form to be a sufficient instrument in writing to bind the EMPLOYER to the applicable agreements.

- 4. Employees covered by this Memorandum of Agreement shall retain all the work traditionally performed by taborers. The EMPLDYER agrees that he will not cause any such traditionally performed work to be done at a construction sile by employees other fluor those covered by this Memorandum of Agreement, except with the prior written consent of the UNION. Any EMPLDYER who contracts out or subtets any of the work coming within the intendiction of the UNION assume the obligations of any subcontractor for prompt payment of employers wages and other benefits, solutions researching stress incurred in enforcing the previous former. Notwithstanding any agreement to the contrary, the EMPLOYER'S violation of any provision of the paragraph will give the UNION the right to strike or to take any other terrial action, including all remedies at law or equity.
- 5. In the event of any change in the ownership, management, or operation of the EMPLOYER'S business by sale or otherwise, it is agreed that as a constitution of such transfer or change is shall be provided in the licitument effecting the change that the new owner and management shall be fully bound by the terms and conditions of this Agreement. This Agreement is applicable to all successors and transference of the EMPLOYER, whether corporate or other vides.
 - 6. The negotiated wapp rates as evidenced in the various Collective Bargaining Agreements shall be increased June 1, 1986 as follows:

Slixty (.604) cents Increase in the Hourty Scale. (From \$14.20 per hour to \$14.50 per hour)

May 31, 1967 Welfare contributions remain the same at One Dollar Thirty-two (\$1.32) cents per hour to the Health and Welfare Fund."

Pension contributions remain the same at One Dollar Thirty (\$1.20) cents per hour to the Pension Fund.

MCIAF remains the same at \$0.02 Cents per hour.

Training Fund Contributions are to be paid at Five Cents (.05¢) per hour.

Dues Deduction is 20¢ cents per hour for each hour worked. (20) cents

June 1, 1967 -A Fifty Cents (50) increase into wages bringing base rate to \$15.30 and an additional Five Cents (.05) into Training May 31, 1988: fund bringing the total to Ten Cents (.10) Cents, existing Frange Benefits and Dues Deduction remain unchanged.

Juna 1, 1968 -There is an Eighty Cent (.80) Increase that has not been allocated.

May 31, 1989:

All additional wage rate; dues checkelf, or fringe benefit increases as regotiated effer filtry 31, 1980,; shall be incorporated in this Memorandum of

- 7. Effective October 1, 1976, all EMPLOYERS covered by this Memorandum of Agreement incorporating the various Collective Bargaining Agreements shall deduct from the wages of employees covered by said contract, working dues in the amount of Ten Cents (\$.10) for each straight-time hoer worked and Ten Cents (\$.10) for each evertime hour worked, and shall remit monthly to the UNION office designated to the EMPLOYER by the District Council the same as deducted, agenther with an accurate list of employees from whom wages said dues were deducted and the employee policiple to each employee, not taken that the 15th day of the month following the month for which said disductions were made.
- 8. It is the intention of the parties that such deductions shall comply with the requirements of Section 302(c)(4) of the Laber Management Act of 1947, as amended, and that such deductions be made only pursuant to written agreements from each employee on whose account such de are made, which assignment shall not be irrevocable for a period of more than one year or beyond the termination date of the Management and Ag
- 9. This Agreement shall remain in full force and effect through the 31st day of May, 1989, and shall continue thereafter unless there has been given not less than sixty (60) days' written notice by registered or certified east, by either party hereto, of the dealers to modify and amend this Agreement through Negotiations. In the absence of such notice, the EMPLOYER and the UNION agree to be bound by the area-wide negotiated contracts with the various Associations, incorporating them into this Memorandum of Agreement and extending this Agreement for the life of the moving agreement contract.

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Consultation to



Construction & General Laborers' District Council of Chicago and Vicinity

612) WEST DIVERSEY AVENUE # CHICAGO, ILLINOIS 60639 + TELEPHONE: 237-7537

LOCALS 1, 2, 4, 5, 6, 25, 75, 76, 96, 118, 149, 152, 225, 280, 289, 582, 681, 1001, 1008, 1035, 1097, 1084 Joseph A. Lombardo, Jr. Emest Kumerow Secretary-Transura

LABORERS' INTERIN COLLECTIVE BARGANING AGREEMENT

It is hereby shoulded and agreed by and behinden
hardin called the "EMPLOYER," and the CONSTRUCTION AND GENERAL LABORERS: DISTRICT COUNCIL OF DRICKED AND VICINITY, herein called the "EMPLOY, herein called the " WREPEAS the Mid-America Regional Bargaining Association (MARBA) on behalf of the Employer Associations it represents in area wide bargaining and the LRBOH have not reached againing agreement to be offsetive June 1, 1997 and

WHEREAS the parties to this Agreement seek to promote consisted employment in the industry, prevent interruption of work, strikes, pictoring and accommission to the public, it is therefore agreed as shows:

1. EMPLOYER, in regiment to the UNION's claim that it represents an uncoerced majority of each Eliab LOYERs' into our employees, acknowledges and agrees that there is no good bath doubt that the UNION has been authorized to and in fact does represent such majority of labour surployees. Thereties, the UNION is heavily recognized as the sole and exclusive for acceptance increases that the employees in the bulgating prit with respect to vegets, hours of work and other terms and containing of amountaining of an acceptance with Section 9 of the Netford Labour Relations Act without the Bulgating Certified Election.

2. The BIAPLOVER action-between that he was bound to all services and conditions of the Collective Biarpetring Agreement between the LIBECH and the Associations as applicable their which expliced at 12:00 microgine, May 31, 1961, and hereby resident his is contained to design with respect to all purity projections, action-project the remeat of all such provise the services are not inconsistent with respect to the changes in the Appearance to be actively all the services of the Changes in the Appearance to the changes in the Appearance to the provise the services of the changes in the Appearance to the Appearance t

3. The Collective Bergshing Agreement between the UNION and Associations (collective on June 1, 1991, and all subsequent aroundments thereto) are incorporated herein as if our forth in fig. The EMPLOYER agrees to be bound by the terms of the applicable Association bargaining agreement for the tile of the reportional agreement upon its substance and acceptance.

some six forths in Ma. The EMPLOYER agrees to be bound by the terms of the applicable Association bargaining agreement for the life of the response agreement upon its sufficience and adoptate the Control of Agreement above the UNION and this Builders Association is under the Control of Control of

The EMPLOYER agrees to gay the encounts which find(0) is bound to pay sinder said Collective Bargaining Agreements to the HEALTH AND WELFARE DEPARTMENT OF THE CODE-TRUCTION AND DESIGNAL LARGERS'S DISTRICT COUNCY. Of CHICAGO AND VICINITY, to the LABORERS' PRISON FUND, and LABORERS' THANNING FUND, and to become bound thereto. The EMPLOYER rating and confirms the appointment of the Teacher and an Employer control the original copies of the Teacher Provides who shall, together with their successor Trucking copies of the Teacher provided in an arministration of Teacher affirms and original copies of the Teacher provided in an arministration of Teacher affirms and original copies of the Teacher provided in an arministration of Teacher affirms and original copies of the Teacher provided in an arministration of Teacher affirms and original copies of the Teacher provided in an arministration of Teacher affirms and original copies of the Teacher affirms and conditions and the teacher affirms and conditions affirm the appropriate particle of time and that by analysis and appropriate particle of time and that by analysis and appropriate particles of the Employer and the teacher affirms and collective Bergalating Agreements.

6. Estationes covered by this infertin Agreement shall make yet insidered by performed by behoosy. The EMPLOYER agrees that he will not cause any such backing representation she by employee other than those covered by a collective benjoising agreement with the Librory. District Council of District Council

7. Employer agrees to pay an increase of Seventy Five (\$75) Conts per hour in wages to equal \$16,00 per hour in wages for the period Jave 1, 1991 to May 31, 1992 and dismether a mounts the UnitoN may allocate in its soil elecation, for the period Jave 1, 1991 to May 31, 1992, EMPLOYER agrees to pay the present condition rate of \$1.57 welfare and owing.

6. In order to secure observance of this provisions of this Agreement, each job may at this UNION'S sale decretion have a stouch who shall be the second man on the job. On any which may employ five (ii) or more lebours at any time during the duration of the project, the standard shall be placed and appointed by the Dustiness Manager of the UNION to which

On projects that will real percent five (5) abcorres at any lime during the project, the Business Manager in whose judgitation that project is located may in the LHRCM's main direct a steward from the existing work force. If a dispute arises on the project involving a contract violation, the Business Manager strat place a steward on the project as a replace Such elevated abulit be subject to the same factors of employment as any other Employee, but taking into consideration that the diseased should be present during all vending hours, but taking into consideration that the diseased should be present during all vending hours, be list amployee laid off on the project.

Such elevated abulit be subject to the diseased, if the severalis do not replace another Laborary from that other Laborary providently assigned duties and shall be the second to the project.

In the mont of any change in the automatic, management or operation of the Employer's business by sale or otherwise, it is agreed that as a condition of such transfer and its provided in the instrument effecting the change that the new other and management shall be fully found by the terms and conditions of this Agreement. This Agreement is all successors and transference of the Employer unbefore confocus or otherwise.

It. That this deburnout is the complain writer agreement between traphanters and call only be attended in writing by the parties. No other and representations chall be binding on the party party may after such and such an expectation of the parties of the parties of the parties. No other and representations chall be binding on the party party may after such and such an expectation and the parties of the parties contract.

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12. This Approximational become effective at 12:01 the Line 1, 30th antichal remain in hill force and effect until 12:00 mining to live 31, 1992 or the langth of the newly ne specialists area wide continued. Whichever is image, and shall continue the effect units been given not less than story (30) nor more than singly (30) days written a process of the photocome by either periphonics of the lighty and or terrainate that are the photocome to the single photocome of the lighty and the Lighty area to be bound by the new area and response by the new area and response to the lighty area to be bound by the new area and response to the lighty area to be considered.

13. The Employer actnowledges and accepts tribitactivible signatures of this contract as if they were the original signatures. The Employer further actnowledges receipt of a copy to complete Jone Horizon Agreement.

ation of the multist prompts after parties herein, and other good velvable consider HI WITNESS WHEREOF, and in consider ACCEPTED: - Manee (2) TRUST FUND